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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

Applicant	:	Kathleen Tyson Quah
Serial No.	:	10/815,190
Filing Date	:	March 31, 2004
Title of Invention	:	COMPUTER-IMPLEMENTED METHOD OF REDUCING RISK IN A PAYMENT-BASED TRANSACTION WHEREIN PAYMENT IS MADE FROM AN ACCOUNT HOLDER TO A COUNTERPARTY USING A PAYMENT BANK SYSTEM EMPLOYING A RISK FILTER ROUTINE THAT DETERMINES WHETHER TO SELECTIVELY REJECT PAYMENT BASED UPON AT LEAST ONE USER-SUPPLIED RISK PARAMETER INCLUDING A CLEAN PAYMENT LIMIT
Examiner	:	Frantzy Poinvil
Group Art Unit	:	3692
Attorney Docket	:	126-001USAND0

Honorable Commissioner of Patents
          and Trademarks
Washington, DC 20231

RESPONSE TO OFFICE ACTION MAILED MAY 30, 2008

Sir:

In response to the Office Action mailed in the present Application on May 30, 2008, Applicant believes that the Office Action was mailed in error. Claims 1-56 were previously canceled in the Preliminary Amendment filed March 31, 2004. Newly added Claims 57-80, remain for prosecution in this Application. Applicant believes no further action is required at present. A copy of the Preliminary Amendment, as filed, is attached herewith.
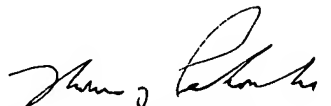
REMARKS

Applicant thanks the Patent Office for the careful attention accorded this application and respectfully requests consideration of the remarks set forth above.

Favorable action is earnestly solicited.

Respectfully submitted,
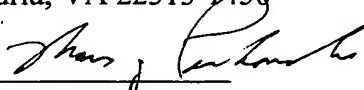
Dated: June 30, 2008

_____
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Thomas J Perkowski, Esq.
Reg. No. 33,134
Date: June 30, 2008

Attorney Docket No.: 126-001USAND0

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re Continuation Application based on co-pending Application of:

Applicant	:	Kathleen Tyson-Quah
Serial No.	:	09/513,440
Filing Date	:	February 25, 2000

Honorable Commissioner of Patents
    and Trademarks
Washington, DC 20231

PRELIMINARY AMENDMENT

Sir:

Preliminary to the examination of the above referenced Continuation Application, kindly amend the same as follows:

AMENDMENT OF THE TITLE:

Please amend the Title to Invention to read as follows:

--COMPUTER-IMPLEMENTED METHOD OF REDUCING RISK IN A PAYMENT-BASED TRANSACTION WHEREIN PAYMENT IS MADE FROM AN ACCOUNT HOLDER TO A COUNTERPARTY USING A PAYMENT BANK SYSTEM EMPLOYING A RISK FILTER ROUTINE THAT DETERMINES WHETHER TO SELECTIVELY REJECT PAYMENT BASED UPON AT LEAST ONE USER-SUPPLIED RISK PARAMETER INCLUDING A CLEAN PAYMENT LIMIT--

<u>AMENDMENT OF THE SPECIFICATION</u>:

Please amend the Specification as follows:

On Page 1, before "BACKGROUND OF INVENTION", insert the following paragraph:

--<u>CROSS-REFERENCE TO RELATED U.S. APPLICATIONS</u>

--This Application is a Continuation of co-pending Application No. 09/513,440 filed February 25, 2000, and incorporation herein by reference as if fully set forth herein.--

AMENDMENT TO THE CLAIMS:

Please cancel claims 1-56, and add new Claims 57-80 as follows. Claims 57-80 remain for prosecution.

Claims 1-56 (canceled)

Claim 57 (new): A computer-implemented method of reducing risk in a payment-based transaction wherein payment is made from an account holder to a Counterparty using a payment bank system operated by a payment bank, the method comprising the steps of:

receiving at least one user-supplied risk parameter associated with the Counterparty;

receiving a first instruction authorizing payment from the account holder to the Counterparty;

storing the first instruction in a payment queue;

during processing of the payment transaction, performing a risk filter routine that determines whether to selectively reject payment authorized by the first instruction based upon the at least one user-supplied risk parameter associated with the Counterparty;

wherein the at least one user-supplied risk parameter comprises a clean payment limit.

Claim 58 (new): The computer-implemented method of claim 57, wherein the at least one user-supplied risk parameter is associated with each payment-based transaction wherein payment is made from the account holder to the Counterparty.

Claim 59 (new): A computer-implemented method of reducing risk in a payment-based transaction wherein payment is made from an account holder to a Counterparty using a payment bank system operated by a payment bank, the method comprising the steps of:

receiving at least one user-supplied risk parameter associated with the Counterparty;

receiving a first instruction authorizing payment from the account holder to the Counterparty;

storing the first instruction in a payment queue;

during processing of the payment transaction, performing a risk filter routine that determines whether to selectively reject payment authorized by the first instruction based upon the at least one user-supplied risk parameter associated with the Counterparty;

wherein the at least one user-supplied risk parameter is associated with each payment-based transaction wherein payment is made from the account holder to the Counterparty;

wherein the at least one user-supplied risk parameter is selected from the group consisting of:

(i) currency associated with each payment-based transaction,

(ii) payment type associated with each payment-based transaction, and

(iii) a Clean Payment Limit associated with each payment-based transaction.

Claim 60 (new): The computer-implemented method of claim 59, wherein the at least one user-supplied risk parameter is associated with a first identifier that identifies the account holder and a second identifier that identifies the Counterparty on the payment transaction.

Claim 61 (new): The computer-implemented method of claim 60, wherein the account holder comprises a user with a pre-existing account relationship with the payment bank.

Claim 62 (new): The computer-implemented method of claim 61, wherein the account holder further comprises a third party, and wherein the user is acting on behalf of the third party.

Claim 63 (new): The computer-implemented method of claim 62, wherein said third party executes a third party host application that generates the at least one user-supplied risk parameter and communicates the at least one user-supplied risk parameter and associated information to a user system, which forwards the at least one user-supplied information to the risk filter routine.

Claim 64 (new): The computer-implemented method of claim 63, wherein only the user system can forward the at least one user-supplied risk parameter communicated by the third party host application to the risk filter routine.

Claim 65 (new): The computer-implemented method of claim 60, wherein the first and second identifiers are Bank Identifier Codes or an aggregation of such codes.

Claim 66 (new): The computer-implemented method of claim 60, wherein the Counterparty comprises a beneficiary of the payment-based transaction.

Claim 67 (new): A system for reducing risk in payment-based transactions comprising:

a payment bank subsystem, operated by a payment bank, that processes a payment-based transaction wherein payment is made from an account holder to a Counterparty, wherein the payment bank subsystem includes a queue storing a first instruction authorizing payment from the account holder to the Counterparty during processing of the transaction; and

a module, integrated with the payment bank subsystem, that stores at least one user-supplied risk parameter associated with the account holder, and includes a risk filter routine that operates during processing of the transaction to determine whether to selectively reject payment authorized by the first instruction stored in the queue based upon the at least one user-supplied risk parameter associated with the Counterparty;

wherein the at least one user-supplied risk parameter comprises a clean payment limit.

Claim 68 (new): The system of claim 67, wherein the at least one user-supplied risk parameter is associated with each payment-based transaction wherein payment is made from the account holder to a Counterparty.

Claim 69 (new): A system for reducing risk in payment-based transactions comprising:

a payment bank subsystem, operated by a payment bank, that processes a payment-based transaction wherein payment is made from an account holder to a Counterparty, wherein the payment bank subsystem includes a queue storing a first instruction authorizing payment from the account holder to the Counterparty during processing of the transaction; and

a module, integrated with the payment bank subsystem, that stores at least one user-supplied risk parameter associated with the account holder, and includes a risk filter routine that operates during processing of the transaction to determine whether to selectively reject payment authorized by the first instruction stored in the queue based upon the at least one user-supplied risk parameter associated with the Counterparty;

wherein the at least one user-supplied risk parameter is selected from the group consisting of:

(i)   currency associated with each payment-based transaction,

(ii) payment type associated with each payment-based transaction, and

(iii) a Clean Payment Limit associated with each payment-based transaction;

Claim 70 (new): The system of claim 69, wherein the at least one user-supplied risk parameter is associated with a first identifier that identifies the account holder and a second identifier that identifies the Counterparty as payment beneficiary or intermediary on the payment transaction.

Claim 71 (new): The system of claim 69, wherein the account holder comprises a user with a pre-existing account relationship with the payment bank.

Claim 72 (new): The system of claim 71, wherein the system includes a user subsystem executing a user host application that generates the at least one user-supplied risk parameter on a user subsystem and communicates the at least one user-supplied risk parameter to the module for use in the risk filter routine.

Claim 73 (new): The system of claim 72, wherein the user subsystem generates user-supplied updates to the at least one user-supplied risk parameter and communicates the user-supplied updates to the module for use in the risk filter routine.

Claim 74 (new): The system of claim 71, wherein the account holder further comprises a third party, and wherein the user is acting on behalf of the third party.

Claim 75 (new): The system of claim 74, further comprising a third party host application that enables the third party to generate the at least one user-supplied risk parameter and communicate the at least one user-supplied risk parameter and associated information to a user subsystem, which forwards the at least one user-supplied information to the module for use in the risk filter routine.

Claim 76 (new): The system of claim 75, wherein the third party host application enables the third party to generate updates to the least one user-supplied risk parameter and communicate

the updates and associated information to a user subsystem, which forwards the updates and associated information to the module for use in the risk filter routine.

Claim 77 (new): The system of claim 75, wherein only the user subsystem can forward the at least one user-supplied risk parameter communicated by the third party host application to the module for use in the risk filter routine.

Claim 78 (new): The system of any of claims 71 to 77, wherein user-supplied risk parameter and updates thereto are communicated from the user subsystem to a central server, which stores the at least one user-supplied risk parameter and updates thereto in a data server and forwards the user-supplied risk parameter and updates thereto to the module for use in the risk filter routine.

Claim 79 (new): The system of claim 70, wherein the first and second identifiers are Bank Identifier Codes.

Claim 80 (new): The system of claim 70, wherein the Counterparty comprises a payment beneficiary of the payment-based transaction.
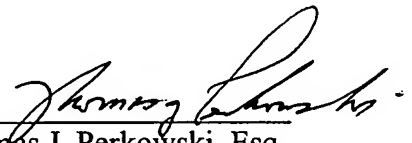
REMARKS

The present Continuation Application is filed to continue prosecution of the inventive subject matter originally disclosed in Application Serial No. 09/513,440 entitled "Method Of And System For Mitigating Risk Associated With Settling Of Foreign Exchange And Other Payments-Based Transactions" filed on February 25, 2000.

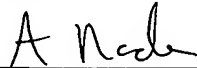Favorable action is earnestly solicited.

Respectfully submitted,

Dated: March 31, 2004

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